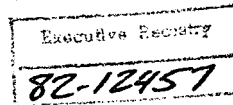


**Petroleum
Equipment
Suppliers
Association**

[Redacted]
Executive Vice President

9225 Katy Freeway Suite 401
Houston, Texas 77024
713/932-0168



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October 6, 1982

Mr. William J. Casey
Director
Central Intelligence Agency
Washington, D.C. 20505

Dear Mr. Casey:

We are writing to you because of your interest and concern in the areas of international trade and foreign policy. The Petroleum Equipment Suppliers Association, which represents 335 companies who are manufacturers, service and supply companies serving the petroleum industry, is gravely concerned about the imposition of trade sanctions on oil and gas equipment to the U.S.S.R.

We believe our preeminence and technical superiority in the world marketplace, achieved through hard work, ingenuity and quality products, has been misinterpreted by some. It should be clearly understood that the U.S. is no longer the nearly exclusive supplier of petroleum equipment to the world it once was. This fact is well documented by the enclosed partial compilation of non-U.S. manufacturers of petroleum equipment, listing some 600 foreign firms producing petroleum equipment.

The adverse impact of these sanctions to our industry is already affecting sales and jobs, but of even greater concern to us is the long term effect on U.S. industry's competitiveness in world markets. This loss of markets for our industry due to the present availability of comparable foreign petroleum equipment and the criticism of the unreliability of U.S. companies is a very serious concern.

We strongly believe that trade sanctions, particularly when taken unilaterally, are an ineffective and often counterproductive tool for achieving foreign policy objectives. Our nation's preeminent position in the world marketplace can be irreparably damaged as a result of the improper use of trade sanctions in the conduct of American foreign policy.

Sincerely,

PETROLEUM EQUIPMENT SUPPLIERS ASSOCIATION

[Redacted]
Executive Vice President

[Redacted]
Enclosure

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Compilation of Non-U.S. Manufacturers of Petroleum Equipment

August 1982



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